

## Stakeholder Feedback and Analysis following Stakeholder Workshop 4<sup>th</sup> December 2019

Item	Comment Feedback	Consultee	AspinallVerdi comments
Renewable and Low Carbon Energy	Following a review of the Future Homes Standard document, a concern is that £4,847 added to the build cost of a new home is more than the £3,375 we are currently testing and if the standards are brought into practice, we need to understand if the sites will be viable	Worcester City Council	We have addressed this comment by testing the viability with a higher allowance of £,4,847 to meet Policy SWDP27: Renewable and Low Carbon Energy – based on FSH recent consultation document.
S106 Costs for Strategic sites	The viability assessment has tested £20k per unit on strategic sites. WCC suggest that this figure would be insufficient to deliver the infrastructure required on the strategic sites. Education alone for Parkway would require £14k per dwelling. The final assessment will require the figure tested to be based on the actual need to order to demonstrate deliverability.  The costs for site promotion need to be increased and reflected within the viability assessment.	Worcester City Council Verbal feedback received from Savills	We have tested the strategic sites with an increased allowance for S106.. SWC's have provided further advice on the actual need / figure. This is: £5,528 per unit at Rushwick; £11,931 at Throckmorton; and £13,201 at Worcester Parkway.
S106 Costs (all sites)	A higher figure for S106 needs to be tested.	Worcester City Council Verbal feedback received from Savills	SWC have confirmed the existing S106 allowance of £2,000 per unit is appropriate.

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Economics for large schemes & small schemes	How have the economics been differentiated between smaller schemes and larger typologies?	Verbal feedback received from Savills	Given the comments in respect of the size of schemes, we acknowledge that larger housebuilders often benefit from economies of scale. We have therefore consulted BCIS and applied the 'Lower Quartile' build rate for schemes of 100 dwellings and the 'median' rate for schemes below 100 dwellings.
Future construction costs	Is BCIS the most appropriate to obtain information on build costs.	Verbal feedback received from Savills	Noted. However, we are satisfied that the 5-year BCIS rates are appropriate benchmarks for this high level plan viability. We have shown the impact of construction cost increases within the sensitivities and are satisfied that there is an appropriate buffer and that the costs are proportionate.
Vacant Building Credit	No reference to vacant building credit has been mentioned within the viability.	Verbal feedback received from Savills	We have addressed this comment to incorporate text on VBC within the viability report
Land Value - GI site net to gross assumptions	The Green Infrastructure policy requirements impact the net developable area on a site.	Verbal feedback received	SWC have confirmed the net to gross ratio applied by AspinallVerdi is appropriate.
Error in document	The table at 5.35 mixes up Rushwick and Parkway which then makes the remainder of the report incorrect. Making Rushwick 7500 units and with it in the lower value zone skews the results of the viability. This could make a significant difference to the results and the report should be updated and re published to reflect this. It should have the effect of	Worcestershire County Council	Error in the document addressed. The appraisals were correct.

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	improving viability. This is due to the higher unit number moving to the higher value area and lower unit number moving to the lower value area.		
CIL	The viability also appears to show there is scope for a CIL review with an increase of the residential charging rate for Malvern and Wychavon alongside the introduction of a charge in the Worcester City area. With affordability proposing the strategic sites could afford £180 per square metre this suggests there is scope to increase the £40 per square metre on remaining sites. There is also potential for a charge having a North West / South East split to ensure values are accurately reflected	Worcestershire County Council	
CIL	<p>A few queries regarding the CIL approach to the viability appraisal results.</p> <ul style="list-style-type: none"> <li>The 'urban areas' of Wychavon and Malvern Hills (i.e. Droitwich, Evesham, Pershore, Malvern, Upton, Tenbury) are rated £0 CIL for residential. Were these areas assessed for viability at this CIL rate or the £40 per square metre rate that applies to all other areas in the two districts?</li> </ul>	Worcester City Council	They were tested at £40 psm for simplicity. If they are viable at £40 psm CIL, they will be viable at £0 psm.

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	<ul style="list-style-type: none"> <li data-bbox="539 331 981 480">• Age Restricted / Sheltered Housing sites (C2) are currently zero rated across south Worcestershire for CIL, but viability study now says viable at £40 per sq. m.</li> <li data-bbox="539 592 981 740">• Assisted Living / Extra-Care sites could be considered as C3 and would be CIL liable in some parts of WDC/MHDC, but would still be zero rated in Worcester City.</li> <li data-bbox="539 810 981 895">• Assume Worcester City was assessed with a CIL rate of £0 for residential?</li> <li data-bbox="539 965 981 1114">• Are the new settlements considered viable at £40 per sq. m residential, or are these zero rated much like the strategic sites in the adopted SWDP?</li> <li data-bbox="539 1184 981 1299">• Are all other CIL rates (except for Student Accommodation) unchanged/untested in updated viability terms?</li> </ul>		<p data-bbox="1485 331 2072 507">AspinallVerdi have removed all CIL charges for Age Restricted / Sheltered Housing typologies as instructed in the baseline scenario in-line with the existing CIL charging schedule. We would normally class these typologies as C3, but the impact of CIL can be seen in the sensitivity tables.</p> <p data-bbox="1485 577 2040 692">AspinallVerdi have removed all CIL charges for Assisted Living / Extra-Care situated in the baseline scenario in low value brownfield typologies.</p> <p data-bbox="1485 810 2076 863">Worcester City has been assessed with a CIL rate of £0 for residential.</p> <p data-bbox="1485 933 2076 1018">Both Strategic Sites &amp; Broad Locations have been tested at £0 psm in-line with the existing CIL charging schedule.</p> <p data-bbox="1485 1184 2002 1236">All other CIL rates remain unchanged in our baseline scenarios.</p>